



Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members or non-voting Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to the use of the recreational facilities of a Member or non-voting Member during any period in which such Member or non-voting Member shall be in default under the provisions of the Declaration or these By-Laws in the payment of any assessment, dues or charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and

MARKUP #1 ->

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

Sec. 1. (p. 6): Voting rights suspension clause lacks Tennessee statutory notice, hearing due process, or delinquency safeguards (Tenn. Code Ann. § 66-27-402(a)(11) (Reasonable Notice & Opportunity to be Heard)).

Statutory / Legal Reference: Tenn. Code Ann. § 66-27-402(a)(11) (Reasonable Notice & Opportunity to be Heard); Tenn. Code Ann. Title 66, Ch. 27, Title 48, Ch. 51 - 68 & Tenn. Comp. R. & Regs. 1260-02-.09; Tenn. Code Ann. §§ 48-51-101 to 48-68-211...

Statutory Comparison: Under Tennessee community association and nonprofit corporation statutes (Tenn. Code Ann. § 66-27-402(a)(11) (Reasonable Notice & Opportunity to be Heard); Tenn. Code Ann. §§ 48-51-101 to 48-68-211 (Tennessee Nonprofit Corporation Act)), member voting rights are a fundamental corporate governance right and may not be summarily suspended without strict compliance with statutory delinquency thresholds, prior written notice, and an opportunity to be heard.

CURRENT WORDING IN DOCUMENT:

{b} suspend the voting rights and right to the use of the recreational facilities of a Member or non-voting Member during any period in which such Member or non-voting Member shall be in default under the provisions of the Declaration or t .

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Provided that any suspension of voting or membership privileges (to the extent permitted by Tennessee law) shall require prior written notice to the Owner, a reasonable opportunity to be heard, and strict compliance with Tenn. Code Ann. § 66-27-402(a)(11) (Reasonable Notice & Opportunity to be Heard) and Tenn. Code Ann. §§ 48-51-101 to 48-68-211 (Tennessee Nonprofit Corporation Act).

ISSUE #1